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1998: The year Indonesia will be forced to cut its losses in East Timor

By Jose Ramos Horta, Nobel Peace Prize Co-Laureate

THE new year, 1998, will begin with a shattered myth. The so-called engine of economic growth in Asia -- the "economic miracle" for the past 30 years that dazzled the developed world -- is grinding to a halt.

The harsh truths of the explosive growths of the ASEAN countries and East Asia is now out in the open. Unbridled borrowings by companies controlled by cronies of ruling elites, as economies boomed in Asia, is the main reason behind the region's financial turmoil. Much of the vast amounts of borrowed money had been spent on speculative property developments, prestige projects and unneeded factories. Thailand, Indonesia, and now South Korea, the world's 11th largest economy, have had to ask the International Monetary Fund (IMF) for emergency loans. Malaysia's economy looks increasingly shaky. Even Japan, the world's largest economy after the United States, seems vulnerable.

In order to qualify for IMF bailouts, the countries affected will have to implement very strict financial reforms. To sustain these reforms, there has to be a social consensus behind them. This is unlikely if those seen as the culprits are bailed out, while tough fiscal and monetary policies plunges many innocent people in ASEAN and East Asia into hardship and unemployment.

In Indonesia, the process of economic collapse that is under way strikes at the core of the Suharto regime's legitimacy. For many years, Indonesian elites and their foreign backers have argued that lack of freedom and authoritarianism were necessary prices to pay for economic development. The prices paid by Indonesians during the last thirty years were high. Exploitation, oppression and exclusion from political participation were prevalent. In addition, natural resources have been depleted and the environment seriously damaged. Wealth has been distributed in an extremely unequal manner, and traditional social structures destroyed.

In this time of crisis in Indonesia, I, one of the Suharto regime's most hated persons, have urged the US administration to provide strategic leadership and vision to help rescue the economies of Indonesia, Malaysia, Thailand and South Korea. Of all leaders in the region, the one that deserves most support today is South Korea's President-elect Kim Dae-jung as he and his people are the embodiment of the struggle for freedom and democracy in the Asia-Pacific.

As austerity measures taken by governments bite, there is greater potential for social and political unrest in several countries, as frustration builds not only against foreigners and the IMF but their own governments as well. And instability in Indonesia is not in anyone's interest in the region.

The financial debacle in the region, also, debunks the so-called Asian values touted by Malaysian Prime Minister Mahathir Mohamad and other regional leaders like Suharto, Lee Kuan Yew, Goh Chok Tong and Jiang Zemin. They claim that in the Asian paradigm, values such as consensus and stability trump individual rights and freedom, and they argue that the United States and the European Union have no right to judge the humanitarian affairs of other nations.

These Asian leaders claim that in order to further development, a strong state is needed to guide, organise and protect business the way the Japanese government did in the 1950s and 60s, and the way the governments of Taiwan and South Korea aided development in the 1970s and 80s. These nations, claim leaders like Mahathir and Lee Kuan Yew, once they reached a point at which they were considered "developed", were able to further democracy by holding free and open presidential elections (as in Taiwan and South Korea), or by relaxing some bureaucratic regulations, as Japan did in the early 1980s.

But, I must ask, to what end is development in view of the financial turmoil in the region that is testing the mettle of long-time leaders like Suharto and Mahathir Asian values are not a code for "development", but a short-handed way of saying "get your nose out of our government, but keep it in our business." Unfortunately that business, now, has been shown to be thriving on corruption, nepotism and lack of accountability.

Now is the time for the international community to push for a strategic vision in ASEAN which incorporates political reforms such as democracy, respect for human rights, rule of law, transparency and accountability. These have been lacking for decades, and are some of the causes of collapse of the "Tiger Economies".

Asians do take freedoms, whenever given the opportunity, like suffrage and speech, very seriously. Events in The Philippines in 1986, South Korea in 1987, Burma in 1990 -- where Daw Aung San Suu Kyi's National League for Democracy won the majority of seats in the junta-controlled elections -- and Cambodia in 1993 point to that fact.

The international community, now, more than ever, must give full support to Daw Aung San Suu Kyi in her struggle for political change in the country. The people of ASEAN are sympathetic to Suu Kyi and they do want to see a government in Burma that is accountable and has the support of the Burmese people. On the contrary, however, ASEAN governments have chosen to ignore their people's wishes and are, sadly, together with China undermining peace and stability within the region by promoting ties with the Burmese military regime. I support the US ban on new investment, by American companies, in Burma. In imposing trade sanctions against Burma, the US has made clear that it regards any association with the SLORC regime as fundamentally and morally wrong. The brutal suppression of the Burmese people must not be sustained through trade and I, also, call for a consumer boycott against all foreign companies trading in Burma.

Examining other, decidedly, Asian nations further erodes the myth of Asian values. Japan is a democracy, and South Korea and Taiwan are slowly but surely making the transition to democracy, undermining the idea that Asian values are perpetually Asian.

Recent events in South Korea seem to augur well for democracy in Asia. For the first time in half a century, a veteran dissident and former political prisoner, Kim Dae-jung, won the presidential elections. Mr Kim's win ends an era of machine politics and marks the first peaceful transfer of power, in South Korea, to the opposition.

The same, unfortunately, cannot be said for my country, East Timor -- which in ASEAN is a test of will between the forces of democracy and dictatorship, and between the forces of right and wrong. Xanana Gusmao, of whom I am a personal representative of is serving a 20-year prison sentence in Indonesia -- a foreign land. In East Timor, it is the victims and not the abusers of human rights and international law who are treated by the Indonesian state as suspects. Also in East Timor, it is not the aggressors, the oppressors and the butchers of men who stand in the courts of justice. Tragically, it is the defenders of the principles of freedom and democracy.

Torture is still common, systematic and widespread. Hundreds of East Timorese have been arrested by the Indonesian authorities in the last 12 months and hundreds, too, have fled the country. There is a war in East Timor. Innocent victims suffer every day and the Suharto regime and Indonesian military seem immune to criticism. Recent smuggled photographs, from East Timor, of young East Timorese women who at the hands of Indonesian soldiers were in the process of suffering torture, humiliation, rape and finally death, depict even worse atrocities. And these atrocities in East Timor have to be stopped.

The economic crisis that Indonesia is currently experiencing, in the midst of the financial debacle in the region, confirms my long-standing hope that sooner or later the Suharto regime will not have the means to continue on in East Timor. As Indonesia faces a critical future, with Suharto's rule coming to an end, Indonesia can hardly afford the economic, and diplomatic costs of the ongoing occupation of my country. I'm encouraged by the moves of the US Administration and the UK, but more is needed to push Indonesia to cut its losses in East Timor.

While ASEAN leaders, today, may pretend that East Timor is a non-issue, international public opinion, however, has dramatically changed around the world -- one year after the award of the Nobel Peace Prize. The Nobel Peace Prize has given much needed boost for the East Timorese fight for self-determination and during the year that is now ending, I have spoken to audiences of thousands in all continents.

I have met with senior US administration officials, various Heads of State and Government, almost every Foreign Minister in the European Union, including three times the new UK Foreign Secretary Robin Cook in the last six months. The UK assumes presidency of the EU in 1998 and I welcome Mr Cook's support for a European code of conduct on the sale of arms. The Asia-Pacific region is the fastest growing arms market and Indonesia is second only to China in the arms build-up.

A recently established Commission of Nobel Laureates has urged governments to adopt an International Code of Conduct on Arms Transfers. The Code would require that all arms recipients meet certain criteria, namely compliance with international human rights standards, humanitarian law, respect for democratic rights and the rule of law. We are conscious that what we are proposing does not go far enough. However, we believe that the adoption of such a Code could contribute to peace in the world.

I can clearly see that there is a distinct change of perception, coupled, with a new political will to address the East Timor conflict. Clear evidence of this comes from the dedicated efforts throughout the year by the UN Secretary-general Kofi Annan, and his Special Representative Jamsheed Marker, as well as the attention given to the issue by South Africa's President Nelson Mandela.

One cause for optimism in East Timor's struggle is the changing situation within Indonesia itself. Pro-democracy and human rights groups are speaking out more and more on the issue of East Timor, linking the oppression there to that which exists under Suharto, in Indonesia. I salute these brave Indonesian activists who are willing to risk jail and persecution for being in solidarity with the East Timorese people.

In the global changes that have followed the end of the Cold War, possibilities for peace in East Timor should now be seriously explored. If a movement towards durable peace is to begin in East Timor, the starting point must be the development of incentives for parties in the conflict to stop the war.

Indonesia must improve the situation in the territory. Prisoners need to be released, the widespread human rights violations must stop, troop reduction must be implemented. Bishop Carlos Ximenes Belo, my fellow Nobel laureate, has made a dramatic appeal to Indonesia through the UN to put an end to violence and torture. Such steps would go a long way to improve the situation. They could be followed by local autonomy and eventually a referendum on self-detrermination under UN auspices to determine the final status of the territory.

There must also be a cessation of all armed activity in East Timor. The twenty-two-year-old conflict in East Timor can come to an end if the two main parties engaged in armed violence in the territory are inspired by the higher interest of peace and the well-being of the people. In this context, I wish to make a most emphatic appeal to the Resistance leaders in East Timor, the freedom fighters in the mountains, the clandestine network, the youths and students, as well as to all those who are directly or indirectly involved in this noble struggle to resist any temptation to engage in armed violence. The Resistance, if it is to serve its own cause and purpose, must observe a complete cessation of all armed activity that can give rise to Indonesia's use of force.

Violence begets violence. There is violence, for instance, in Algeria because the Islamic fundamentalists there have chosen that path to further their ends. Fundamentalism, with Islamic autocrats having their own interpretation of the Koran, is certainly a threat to the universality of human rights and democracy. In the same light, I condemn the recent violence in Mexico's Chiapas state where 45 Mayan Indians, suspected of sympathising with the Zapatista National Liberation Army, were slaughtered by paramilitary units.

In Latin America, Colombia remains the most violent country with an estimated 40,000 deaths a year, 30 per cent of which are political assassinations. In my recent visit to that country I, however, also

encountered the most inspiring movement for peace and democracy. I was moved and I offered my fullest support to the brave Colombian people in their struggle for peace, democracy and the rule of law.

The world has changed dramatically and in two years time we will be approaching the next millennium. Our friend Nelson Mandela is the living proof that nothing is irreversible, no regime is eternal and empires do not last forever. Only 10 years ago, not too many would have imagined Mandela would one day emerge as the President of the new South Africa. He now has handed over the reins of the African National Congress -- the party that led South Africa from apartheid to nonracial democracy -- to Thabo Mbeki, thus ushering in a new era in South African politics. I wish Mr Mbeki the best in his future undertakings.

His Holiness the Dalai Lama reminds us that no matter what part of the world we come from, fundamentally we are all the same human beings. All of us human beings want freedom and the right to determine our own destiny as individuals, says the Dalai Lama. I fully agree with His Holiness. Freedom for East Timor is in sight.

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